



Volume 6 | Issue 1


Article 2

1999

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Recommended Citation

A. J. Guggenheim, *The Legal Battles of G.I. Joe: The Jurisprudence of Distinctive Fingernails, Action Figures, Ninjas and Distinguished Marines*, 6 Jeffrey S. Moorad Sports L.J. 15 (1999).

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THE LEGAL BATTLES OF G.I. JOE: THE JURISPRUDENCE OF DISTINCTIVE FINGERNAILS, ACTION FIGURES, NINJAS AND DISTINGUISHED MARINES

A. JACK GUGGENHEIM*

I. INTRODUCTION

For over three decades, the toy action figure known as G.I. Joe has added adventure and patriotism to childhood playtime. Over the years, G.I. Joe has been the subject of both sandbox and legal battles. The resulting judicial decisions have helped shape and develop American jurisprudence, particularly the area of intellectual property law. With G.I. Joe gearing up for his thirty-fifth anniversary, and with the introduction of two new books which chronicle the development of G.I. Joe, now is a good time to examine such contributions and reflect on the particular lessons Joe's legal battles can teach. These lessons include the importance of having distinctive fingernails, using best efforts when dealing with Ninjas, the role of an action figure (as opposed to a doll), and the sale of distinguished marines.

II. THE HISTORY OF G.I. JOE

The longstanding success and widespread popularity of the G.I. Joe action figure has made it a valuable product worth protecting through litigation. G.I. Joe made his historic debut, courtesy of Hasbro, in 1964 as an eleven and a half inch plastic toy soldier.¹ There has been speculation that the original mold for G.I. Joe's

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1. See *The G.I. Joe Chronology*, (visited Jan. 12, 1998) <<http://www.hasbrotoys.com/gijoe/chron.html>>; see also JOHN MICHIG, G.I. JOE: THE COMPLETE STORY OF AMERICA'S FAVORITE MAN OF ACTION, Chronicle (1998); G. WAYNE MILLER, TOY WARS: THE EPIC STRUGGLE BETWEEN G.I. JOE, BARBIE, AND THE COMPANIES THAT MAKE THEM (Time Books 1998); JAMES DESIMONE, OFFICIAL COLLECTOR'S GUIDE TO

face was modeled after President John F. Kennedy's facial features.² In 1968, the G.I. Joe line significantly expanded when it introduced talking figures.³ In 1969, the G.I. Joe line included soldiers from all branches of the United States armed service.⁴ In 1970, Hasbro created the "G.I. Joe Adventure Team," which included four special G.I. Joes.⁵ In 1974, stores introduced the first G.I. Joes with "kung-fu grips." In 1975, children marveled at the Atomic Man, the first bionic G.I. Joe, which was followed by the "Eagle Eye Joe," the action figure with movable eyes.⁶ Both "Super Joe," an eight inch Joe with laser lights, and G.I. Joe with a "1-2 punch," hit the market in 1977.⁷ In 1978, Hasbro discontinued its marketing of G.I. Joe after the price of petroleum, a major component of plastics, increased substantially.⁸

This setback, however, was temporary. G.I. Joe was reborn in 1982 as a three and three-fourths inch "Real American Hero."⁹ The initial smaller G.I. Joe line consisted of 16 action figures with molded uniforms, sophisticated weapons and vehicles, and detailed bios.¹⁰ The reintroduction of the action figure came with a Marvel comic book of G.I. Joe assignments and adventures.¹¹

In subsequent years, as the toy became more popular, Hasbro expanded its line to include "Cobra," G.I. Joe's terrorist adversary.¹² In 1986, G.I. Joe was ranked the best selling toy in America by *Toy & Hobby World*.¹³ By 1989, G.I. Joe's 25th birthday, Hasbro incorporated two American athletes in its G.I. Joe line, the wrestler

COLLECTING AND COMPLETING YOUR G.I. JOE FIGURES AND ACCESSORIES, BOOKS 1 AND 2 (1980).

2. See Megan Garvey, *The G.I. Joe Brigade/A Salute to America's Collectors*, *Young and Old*, THE NEWS & OBSERVER (Raleigh, N.C.), Sept. 30, 1997, at E1. Others have posited that Joe's face is a composite of 20 Medal of Honor winners. See *id.*

3. See *The G.I. Joe Chronology*, *supra* note 1. See also JEFF KILIAN AND CHARLES GRIFFITH, *TOMART'S PRICE GUIDE TO G.I. JOE COLLECTIBLES* (1985).

4. See *The G.I. Joe Chronology*, *supra* note 1. In addition, Hasbro introduced soldier action figures from foreign armed services in 1969. See *id.*

5. See *id.* See also *G.I. Joe—A Real American FAQ* (visited Jan. 12, 1998) <www.yojoe.com/gifag.txt>.

6. See *The G.I. Joe Chronology*, *supra* note 1. 1976 also saw the introduction of "Bulletman," the "Intruders," and the "Defenders." See *id.*

7. See *id.*

8. See *id.*

9. See *id.*

10. See *The G.I. Joe Chronology*, *supra* note 1.

11. See *id.* The G.I. Joe comic had a successful 12 year run, covering 155 issues and spending many months as one of the top selling comic books in the country. See *G.I. Joe—A Real American FAQ*, *supra* note 5.

12. See *The G.I. Joe Chronology*, *supra* note 1.

13. See *id.*

"Sgt. Slaughter" and Chicago Bears' William "Refrigerator" Perry.¹⁴ In 1991, the first twelve-inch figure since the 1970's hit the toy stores in a limited market test, and the entire shipment of 80,000 figures sold out in the first weekend.¹⁵ By 1993, children across the world had purchased over 250,000,000 G.I. Joe figures and 115,000,000 G.I. Joe vehicles.¹⁶ G.I. Joe's stunning success also generated a need for legal protection.

III. THE IMPORTANCE OF DISTINCTIVE FINGERNAILS

In *Hassenfeld Bros., Inc. v. Mego Corp.*,¹⁷ the plaintiff, Hassenfeld Bros. (hereafter, "Hassenfeld"), Hasbro's predecessor, sued Mego Corp. (hereinafter "Mego"), its competitor, for the alleged copyright infringement of G.I. JOE.¹⁸ Hassenfeld owned a valid and subsisting copyright in G.I. JOE, evidenced by Certificate of Registration No. GP 41527.¹⁹ The sole issue before the court was whether Hassenfeld was entitled to injunctive relief because of the defendant's activities in selling and promoting an alleged piratical copy of G.I. JOE, called "FIGHTING YANK."²⁰ The court found that both toys were military figures, approximately eleven inches in height, with removable clothing and accessories.²¹ The court further found that G.I. JOE was the culmination of considerable effort in design which resulted in the sale of more than seven million figures after its introduction in 1964.²²

The court noted that FIGHTING YANK and G.I. JOE shared similar clothing, accessories and respective packaging.²³ Specifically, the court found features similar between the figures' heads, torsos, legs, hands, arms and other extremities.²⁴ The most signifi-

14. *See id.*

15. *See id.*

16. *See id.*

17. 150 U.S.P.Q. 786 (S.D.N.Y. 1966).

18. *See id.* Hasbro, incorporated in Rhode Island, is the world's largest toy manufacturing company with 1986 revenues of over \$1.3 billion. *See* Hasbro, Inc. v. Lanard Toys, Ltd., 858 F.2d 70, 71 (2d Cir. 1988). Since 1983, Hasbro has spent over \$65 million to promote its "G.I. JOE" line. *See id.* Sales of the "G.I. JOE" line in 1986 amounted to \$170 million, approximately 13 percent of Hasbro's total sales for that year. *See id.* at 72. For a discussion of copyright law within a military law context, *see* William V. Adams, *Avoiding the Use of Copyrighted Music in Audiovisual Works*, 1988-AUG ARMY LAW. 43 (1988).

19. *See Hassenfeld Bros.*, 150 U.S.P.Q. at 787.

20. *See id.* at 786.

21. *See id.* at 787.

22. *See id.*

23. *See id.* at 788.

24. *See Hassenfeld Bros.*, 150 U.S.P.Q. at 788.

cant similarity in the court's view was a uniquely placed right thumbnail which both G.I. JOE and the FIGHTING YANK possessed.²⁵ The court found that this anatomically incorrect fingernail could not have been the result of independent creation, but was in all likelihood the result of copying.²⁶ The court concluded that Hassenfeld was entitled to injunctive relief preventing Mego from marketing its product because Hassenfeld would likely be able to substantiate its claim of copyright infringement.²⁷ Furthermore, the court held that Mego's conduct caused and would continue to cause irreparable damage to Hassenfeld.²⁸ Lastly, the court held that Hassenfeld would likely be able to prove a substantial similarity between the plaintiff's copyrighted work and the defendant's alleged copy at trial.²⁹ Joe's unique fingernail had saved the day.

IV. ACTION FIGURE V. DOLL

In *Hasbro Industries, Inc. v. United States*,³⁰ Hasbro appealed the decision of the Court of International Trade, which held that "G.I. Joe Action Figures" were within the common meaning of "dolls" and were properly classified under Item 737.24 of the Tariff Schedules of the United States (TSUS).³¹ Affirming the lower court's decision, the United States Court of Appeals for the Federal Circuit agreed that Joe was in fact a doll.³²

Joe's classification became an issue when the United States Customs Service classified "G.I. Joe Action Figures," imported from Hong Kong during 1982 and 1983, as "other dolls" under Item 737.24 of the TSUS.³³ Under this classification, varying rates of duty applied.³⁴ Hasbro argued that G.I. Joe should be exempt from such duty because they were properly classifiable as toy figures of

25. See *id.* at 787.

26. See *id.*

27. See *id.* at 789.

28. See *id.*; see also *Ideal Toy Corp. v. Sayco Doll Co.*, 302 F.2d 623 (2d Cir. 1962) (granting preliminary injunction on factual finding of similarity and probable copying). But see *Ideal Toy Corp. v. Fab-Lu Ltd.*, 360 F.2d 1021 (2d Cir. 1966) (refusing to grant preliminary injunction although dolls had same size, shape and features).

29. See *Hassenfeld Bros.*, 150 U.S.P.Q. at 786.

30. 879 F.2d 838 (Fed. Cir. 1989), *aff'g* 703 F. Supp 941 (Ct. Int'l Trade 1988).

31. See *id.*

32. See *id.*

33. See *id.* at 839.

34. See *id.*

animate objects.³⁵ The Court of International Trade disagreed, using lexicographic authorities and prior case law to establish that the G.I. Joe action figure fell within the common meaning of the term “doll.”³⁶

On appeal, the Federal Circuit noted that to determine the common meaning of a tariff term like “doll,” the court “may consult dictionaries, scientific authorities, and other reliable information sources to ascertain that common meaning.”³⁷ The Court of International Trade referred to a general dictionary defining the word “doll” as a representation of a human being used as a child’s plaything. The Federal Circuit concluded that this summary definition was suitable for the dispute.³⁸

Given this broad common meaning for the term “doll,” the Federal Circuit next reviewed whether the Court of International Trade clearly erred when it found that the G.I. Joe action figure fit within that term.³⁹ It determined that the Court of International Trade did not clearly err and concluded that the Court of International Trade had relied on, *inter alia*, expert testimony, magazine articles referring to G.I. Joe as a doll, letters from purchasers to Hasbro which referred to G.I. Joe as a doll, doll collector books and the figures themselves.⁴⁰ Furthermore, the Court of International Trade surmised that the individual personality of each of the G.I. Joe figures, evidenced by his or her biographical file cards and physical characteristics, invited “intimate and manipulative” play. These unique attributes indicated that these figures were not comparable to the “identical, immobile faceless toy soldiers of yesteryear that were sold in groups of a dozen or so in bags,” and were classified as toy figures.⁴¹ Accordingly, the Federal Circuit found that G.I. Joe figures were dolls and thus were subject to a U.S. duty.

35. See *Hasbro*, 879 F.2d at 839. Under Item A737.40 of the TSUS, non-stuffed toy figures of animate objects without spring mechanisms, excluding dolls, are exempt from duty. See *id.*

36. See *id.* at 841.

37. *Id.* at 840. See also *C.J. Tower & Sons of Buffalo, Inc. v. United States*, 673 F.2d 1268, 1271 (C.C.P.A. 1982); *United States v. Cody Manufacturing Co.*, 44 C.C.P.A. 67, 73-74 (1957). See generally *Russ Berrie & Co. v. United States*, 417 F. Supp. 1035, 1039 (Cust. Ct. 1976) (“A doll for tariff purposes is not confined to playthings for children but includes . . . dolls for ornamentation, . . . souvenir or prize dolls, dolls for display or advertising purposes, and dolls sold as gag items, bar gadgets, adult novelties, etc.”).

38. See *Hasbro Industries*, 879 F.2d at 840.

39. See *id.*

40. See *id.*

41. *Hasbro Industries, Inc. v. United States*, 703 F. Supp. 941, 946 (Ct. Int’l Trade 1988).

Interestingly, the Federal Circuit offered G.I. Joe a few words of encouragement, stating “[e]ven though G.I. Joe has lost this battle, hopefully he will not lose his courage for combat, despite being officially designated by the United States Customs Service as a doll.”⁴² This questionable decision notwithstanding, Hasbro still encourages consumers and collectors to continue to call G.I. Joe an “action figure” instead of a doll.⁴³

V. DISTINGUISHED MARINES

In *Hasbro, Inc. v. Lanard Toys, Ltd.* (*Lanard*), Hasbro, which used the name “GUNG-HO” to describe a marine action figure in the G.I. Joe action figure line, brought a trademark action against a competitor that used the term “GUNG-HO!” to describe an entire line of action figures similar to the G.I. Joe line.⁴⁴ The central issue in *Lanard* was whether “GUNG-HO” warranted federal protection under the Lanham Act as a descriptive or suggestive mark.⁴⁵

On August 20, 1987 Hasbro commenced an action in the New York State Supreme Court (New York County) alleging common law unfair competition, which was later removed to the United States District Court for the Southern District of New York.⁴⁶ Hasbro, having been denied its motion for preliminary injunction to prevent Lanard from marketing its “Gung-Ho!” action figure line by the district court, appealed to the United States Court of Appeals for the Second Circuit.⁴⁷

After examining the G.I. Joe line, the Second Circuit, demonstrating a sense of humor, concluded that members of G.I. Joe were “the toughest ‘characters’ ever to appear in court.”⁴⁸ The court further noted that the outcome of the litigation could not be determined by pitting Lanard’s “Large Sarge,” with his bazooka and ability to be “[e]xtremely cool and competent under deadly pressure,” against Hasbro’s “GUNG-HO” action figure, with his dress saber and ability to “low-crawl through the nastiest black-water,

42. See *Hasbro Industries*, 879 F.2d at 841.

43. See Garvey, *supra* note 2, at E1.

44. See *Hasbro, Inc. v. Lanard Toys, Ltd. (Lanard)*, 858 F.2d 70 (2d Cir. 1988).

45. See *id.*

46. See *id.* at 72. On August 26, Lanard successfully petitioned for the action to be removed to the United States District Court for the Southern District of New York pursuant to 28 U.S.C. § 1441 (1982). See *id.*

47. See *id.* at 72. Hasbro subsequently amended its complaint without objection to assert a claim under § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (1982), and to bring a motion for preliminary injunction. See *id.*

48. *Id.* at 71.

stinking mud and bubbling slime.”⁴⁹ Instead, it was necessary to determine whether Hasbro’s unregistered “GUNG-HO” mark was protectible under the Lanham Act, by assessing its strength and evaluating the likelihood of confusion between the Hasbro “GUNG-HO” mark and the Lanard “GUNG-HO” mark.⁵⁰

From 1983 to 1985, Hasbro sold “Ettienne R. LaFitte,” code name “GUNG-HO,” a G.I. Joe figure with a machine gun and backpack.⁵¹ Hasbro reintroduced “GUNG-HO” in its 1987 “G.I. JOE” action figure series. The 1987 figure, distinct from the earlier one, appeared in full dress marine uniform.⁵² The “GUNG-HO” action figure was a top seller. In 1983, 1,250,000 figures were shipped, and by 1988 it had shipped close to another two million GUNG-HO figures.⁵³ Like Hasbro’s “G.I. JOE” action figures, the action figures sold by Lanard were 3-3/4 inches tall with jointed arms and legs, and each figure had its own name and biography.⁵⁴

To obtain a preliminary injunction, Hasbro had to demonstrate irreparable harm and either: (1) likelihood of success on the merits; or (2) sufficiently serious questions about the merits to make them fair ground for litigation and a balance of hardships tipping toward the party requesting the preliminary relief.⁵⁵ In a Lanham Act case, a showing of likelihood of confusion establishes both a likelihood of success on the merits and irreparable harm, assuming that the plaintiff has a protectible mark.⁵⁶

The first question to be resolved was whether Hasbro’s unregistered mark was entitled to protection under the Lanham Act. The four categories that measure the degree of protection that a mark merits are, in ascending order of protection, generic, descriptive, suggestive, and arbitrary or fanciful.⁵⁷ The stronger the mark the more likely it is protected by the Lanham Act. The central issue on

49. *See Lanard*, 858 F.2d at 71.

50. *See id.*

51. *See id.* at 72.

52. *See id.* at 71.

53. *See id.* at 72.

54. *See Lanard*, 858 F.2d at 72-73.

55. *See Jackson Dairy, Inc. v. H.P. Hood & Sons, Inc.*, 596 F.2d 70, 72 (2d Cir. 1979) (per curiam); *see also Warner Bros., Inc. v. Gay Toys, Inc.*, 658 F.2d 76, 78-79 (2d Cir. 1981) (holding Jackson Dairy standard applies where preliminary injunction is sought for trademark infringement violations).

56. *See Home Box Office, Inc. v. Showtime/The Movie Channel Inc.*, 832 F.2d 1311, 1314 (2d Cir. 1987); *Standard & Poor’s Corp. v. Commodity Exch., Inc.*, 683 F.2d 704, 708 (2d Cir. 1982); *Omega Importing Corp. v. Petri-Kine Camera Co.*, 451 F.2d 1190, 1195 (2d Cir. 1971).

57. *See Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976).

Hasbro's appeal to the Second Circuit was whether Hasbro's "GUNG-HO" was a descriptive or suggestive mark. A term is suggestive if it requires "imagination, thought and perception to reach a conclusion with respect to the nature of goods."⁵⁸ Generally, if a term is suggestive it is entitled to trademark protection even without proof of "secondary meaning," or recognition as a strong mark.⁵⁹ A term is "descriptive" if it conveys an idea of the "ingredients, qualities or characteristics of the goods," or if it describes the use to which a product is put.⁶⁰ Generally, an unregistered descriptive mark is only accorded trademark protection when secondary meaning is established.⁶¹

The United States adopted "GUNG-HO" as a motto during the World War II era.⁶² The Second Circuit found that "[i]t takes some imagination . . . to intuit a swamp-crawling, leech-sucked, bug-bitten marine Sergeant from the term 'GUNG-HO.'"⁶³ Consequently, the Court of Appeals for the Second Circuit found that "GUNG-HO" was suggestive of a marine, and held that Hasbro's mark was entitled to Lanham Act protection.⁶⁴

The court ignored whether Lanard's sale of "Gung-Ho!" action figures caused "an appreciable number of ordinarily prudent purchasers . . . to be misled or . . . confused about the source of the goods in question."⁶⁵ In order to determine whether such a "likeli-

58. See *Stix Prods., Inc. v. United Merchants & Mfrs., Inc.*, 295 F. Supp. 479, 488 (S.D.N.Y. 1968), quoted in *Abercrombie & Fitch*, 537 F.2d at 11. If "there is an imaginative factor connecting the name and the product," the name is suggestive. *Information Clearing House, Inc. v. Find Magazine*, 492 F. Supp. 147, 156 (S.D.N.Y. 1980). See also *Or Da Indus., Ltd. v. Leisure Learning Prods., Inc.*, 479 F. Supp. 710, 715 (S.D.N.Y. 1979) ("BRAINY BLOCKS" suggests game with geometric tile pieces resembling blocks that requires child's cognitive skills). In the publishing field, the term "PLAYBOY" is a suggestive term, and even though it "may signify the aspirations of PLAYBOY's readership, it does not describe the product or its contents." *Playboy Enters., Inc. v. Chuckleberry Publ'g. Inc.*, 687 F.2d 563, 566-67 (2d Cir. 1982). In another context, a court held that "PASSION" perfume was a suggestive mark since, "[i]nstead of describing the product, it describes an emotion the fragrance seeks to induce. Connecting the emotion to the fragrance requires 'an effort of the imagination.'" *Elizabeth Taylor Cosmetics Co. v. Annick Goutal, S.A.R.L.*, 673 F. Supp. 1238, 1243-44 (S.D.N.Y. 1987).

59. See *Thompson Med. Co. v. Pfizer Inc.*, 753 F.2d 208, 216 (2d Cir. 1985).

60. See *Stix Prod.*, 295 F. Supp. at 488, cited in *Abercrombie & Fitch*, 537 F.2d at 11; see also *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S. 189, 194 (1985); *Thompson Med.*, 753 F.2d at 216; *20th Century Wear, Inc. v. Sanmark-Stardust Inc.*, 747 F.2d 81, 87 (2d Cir. 1984) (adopting *Stix Products* test).

61. See *Thompson Med.*, 753 F.2d at 216; *20th Century Wear*, 747 F.2d at 87.

62. See *Lanard*, 858 F.2d at 73.

63. *Id.* at 74.

64. See *id.*

65. *Id.* at 75 (quoting *Mushroom Makers, Inc. v. R.G. Barry Corp.*, 580 F.2d 41, 47 (2d Cir. 1978)).

hood of confusion" existed, the court applied the test enumerated by Judge Friendly in *Polaroid Corp. v. Polarad Elecs. Corp.*⁶⁶ This multi-factor balancing test considers: (1) the strength of the plaintiff's mark; (2) the similarity between the two marks; (3) the proximity of the products; (4) the likelihood that the prior owner will bridge the gap; (5) actual confusion; (6) the reciprocal of the defendant's good faith in adopting its own mark; (7) the quality of defendant's product; and (8) the sophistication of the buyers.⁶⁷

The first factor, the strength of the senior user's mark, analyzes the relationship between goods sold with a mark and identification of its source.⁶⁸ The second factor, the degree of similarity between the marks, focuses on whether the similarity "is likely to create confusion."⁶⁹ The third factor addresses whether, due to the commercial proximity of the competitive products, consumers may be confused as to their source.⁷⁰ This confusion can occur if consumers mistakenly assume that one manufacturer's toys are associated with, or made by, the other manufacturer.⁷¹ The fourth factor examines the likelihood that the senior user of the mark will enter the junior user's market.⁷² This factor was not an issue in *Lanard* since plaintiff and defendant already competed in the same market.⁷³ The fifth factor asks whether there is any actual confusion.⁷⁴ In *Lanard*, however, the absence of actual confusion was not thought to be relevant since Lanard's product had only been on the market for a short time.⁷⁵ The sixth factor assesses whether the junior user acted in bad faith in adopting its mark.⁷⁶ In its analysis of the seventh factor, the quality of the junior user's product, the court agreed with the lower court's decision "that Lanard's international security figures were not of lesser quality than Hasbro's military action figures."⁷⁷ Finally, in analyzing the last factor, the court reasoned that the sophistication of the consumers is based upon the

66. 287 F.2d 492 (2d Cir. 1961).

67. See *id.* at 495; see also *Centaur Communications Ltd. v. A/S/M Communications, Inc.*, 830 F.2d 1217, 1225 (2d Cir. 1987).

68. See *Lanard*, 858 F.2d at 76.

69. *Id.* at 77.

70. See *Centaur Communications*, 830 F.2d at 1226.

71. *Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co.*, 799 F.2d 867, 874 (2d Cir. 1986).

72. *Lanard*, 858 F.2d at 78.

73. See *id.*

74. See *id.*

75. See *id.*

76. See *id.*

77. See *Lanard*, 858 F.2d at 78.

assertion that unsophisticated buyers increase the chances for confusion.⁷⁸ Here, the court found that there was not enough evidence to reach a determination on this factor.⁷⁹ After balancing all the factors, the court determined that due to the strength of Hasbro's mark, the degree of similarity between Hasbro's and Lanard's marks, their indisputable competitive proximity, and the lack of any differentiation in consumer markets, there was a likelihood of confusion and irreparable harm.⁸⁰ Hence, the Second Circuit reversed the district court's order and remanded for entry of a preliminary injunction.⁸¹ In sum, G.I. Joe emerged victorious because the Second Circuit found that "GUNG-HO" was suggestive of a marine.

VI. BEST EFFORTS DEFEAT NINJAS

*Hasbro, Inc. v. Child's Play Int'l Corp.*⁸² involved an action arising from a license to manufacture and market a line of ninja action figure toys.⁸³ The dispute started in 1987, when Hasbro Inc., ("Hasbro") erroneously paid a duplicate licensing fee to Child's Play International Corporation ("Child's Play").⁸⁴ After discovering its mistake, Hasbro brought suit to recover duplicate payment.⁸⁵ Child's Play counterclaimed, asserting "that Hasbro failed to exploit its exclusive license diligently, adequately and effectively in accordance with [its contractual] obligations."⁸⁶ On a motion for summary judgment, Hasbro moved to dismiss the amended counterclaims, arguing that Child Play's discovery did not produce sufficient evidence to conclude that Hasbro's exploitation of the license was insufficient.⁸⁷

In 1985, Child's Play acquired a line of seven ninja warrior action figures ("Ninja Warriors") that enjoyed significant popularity in the spring of 1986. To maximize the line's popularity, Child's Play approached Hasbro, a company with more experience and

78. *See id.* at 78-79.

79. *See id.* at 79.

80. *See id.*

81. *See id.* at 79. For a further discussion of this case, see Patrick J. Corcoran, *Hasbro, Inc. v. Lanard Toys, Ltd.: G.I. Joe Emerges from the Trademark Wars Victorious but Second Circuit Continues Search for Appropriate Scope of Review*, 63 ST. JOHN'S L. REV. 97 (1988).

82. No. 87 Civ. 4613, 1991 WL 156282, at *1 (S.D.N.Y. Aug. 2, 1991) (*Child's Play*).

83. *See id.* at *1.

84. *See id.*

85. *See id.*

86. *Id.*

87. *See 3 Child's Play*, 1991 WL 156282, at *1.

greater resources, and offered to license the Ninja Warrior action figures to them.⁸⁸ In the past, Hasbro had manufactured several ninja figures as part of its G.I. Joe merchandise, but never devoted an entire line to such figures.⁸⁹ Hasbro was interested in the Ninja Warriors, and the parties negotiated and executed an agreement (the "Agreement").⁹⁰ The Agreement gave Hasbro the right to manufacture items similar to the Ninja Warrior line.⁹¹ Hasbro thereafter undertook efforts to develop, manufacture and promote the Ninja Warrior line, including the filming of a television commercial.⁹² Unfortunately, consumers lost interest in ninja action figures and Hasbro elected to abandon its Ninja Warrior television campaign.⁹³ For this and other related reasons, Child's Play alleged in its counterclaim that Hasbro made insufficient efforts to market the Ninja Warrior line as industry-wide standards required.⁹⁴

The court examined the language of the contract between Child's Play and Hasbro and concluded that, at most, it imposed a "best efforts" requirement on Hasbro.⁹⁵ The court noted however, that a best efforts obligation did not require Hasbro to "slavishly . . . devote its efforts to marketing the [Ninja Warriors] line."⁹⁶ After examining the facts, the court concluded that Hasbro did not violate the Agreement with Child's Play.⁹⁷ According to the court, Child's Play failed to produce evidence that could lead a fact finder to reasonably conclude that Hasbro's actions in promoting the Ninja Warriors were inadequate.⁹⁸ The court therefore granted Hasbro's motion for summary judgment.⁹⁹

VII. THE FIGHT CONTINUES . . .

As G.I. Joe grows older, fan loyalty grows as well. Various collectors' groups have sprung up and G.I. Joe has appeared in many

88. *See id.*

89. *See id.*

90. *See id.* at *2.

91. *See id.*

92. *See Child's Play*, 1991 WL 156282, at *2.

93. *See id.* at *4.

94. *See id.* at *6.

95. *See id.*

96. *Id.* *See also* Van Valkenburgh, Nooger & Neville, Inc. v. Hayden Publishing Co., 281 N.E.2d 142, 145 (1972) ("[L]icensees are not deemed to limit themselves in their usual business enterprise to the promotion of the licensor's product, absent specific agreement to this effect; and an agreement to use due diligence or best efforts does not alone limit their activity to the licensor's interests.").

97. *See Child's Play*, 1991 WL 156282, at *7.

98. *See id.*

99. *See id.*

museum and library exhibits.¹⁰⁰ In addition, various publications dedicated to collecting G.I. Joe have emerged, including the Master Collector newsletter, which has a circulation of over 20,000.¹⁰¹ With this increased popularity, the alleged use of G.I. Joe's likeness without permission has also increased. For example, a G.I. Joe manufacturer recently sued Nissan Motor Co. for its commercial featuring a doll that resembled G.I. Joe driving a red Nissan toy convertible with a Barbie-like doll, leaving behind a dejected Ken-like doll.¹⁰²

G.I. Joe also recently declared war on "G.I. Battledress," a company that manufactures toy uniforms and weapons and bills itself as providing "historically accurate uniforms for the serious G.I. Joe collector."¹⁰³ Hasbro filed suit alleging that G.I. Battledress violated Hasbro's trademarks by advertising unlicensed G.I. Joe gear on the Internet.¹⁰⁴ While the outcome of these lawsuits is uncertain, G.I. Joe's legacy is not. He continues to provide many children with adventure, an outlet for creativity, a sense of patriotism and, to future legal scholars, the prospect of G.I. Joe legal analysis in our rich American jurisprudence.¹⁰⁵

100. See Kristie Hanley, *Collector Is a Warrior in His Hunt for G.I. Joe Military Memorabilia Display Shows Doll's Many Faces*, STAR-LEDGER (Newark, NJ), July 1997, at 1, available in 1997 WL 12542354.

101. See Garvey, *supra* note 2, at E1.

102. See *Mattel Sues Nissan Over Ad Featuring Barbie Look-Alike*, THE FRESNO BEE, Sept. 22, 1997, at C1; Nancy Rivera Brooks, *Barbie's Online Critics See Guise in Doll's Toys: Puerto Rican Incarnation Is at Center of Latest Mattel Brouhaha. First, the Hair . . .*, L.A. TIMES, Nov. 21, 1997, at D1.

103. Jacqueline Soteropoulos, *G.I. Joe Marches Off to Court*, TAMPA TRIBUNE, Mar. 19, 1997, at 1.

104. See *id.*

105. For other articles that examine the role of toys within the legal context, see Theresa A. Charters, *Kenner Parker Toys, Inc. v. Rose Art Industries, Inc.: Confusing "Play" on Words Costs "Dough" for Rose Art*, 25 U. TOL. L. REV. 271 (1994); *Stuffed Toy Dog Did Not Infringe Rival*, 3 J. PROPRIETARY RTS. 39 (1993). For a more serious discussion of the intersection of toys, jurisprudence, and society, see Andrea Weinerman, Note, *The Use and Misuse of Anatomically Correct Dolls in Child Sexual Abuse Evaluations: Uncovering Fact . . . or Fantasy?*, 16 WOMEN'S RTS. L. REP. 347 (1995); Michael A. Pangelinan, *Lives Lost to the Overseas Toy Industry: A Call for Action*, 16 LOY. L.A. INT'L & COMP. L.J. 735 (1994); Cynthia Starnes, *Divorce and the Displaced Homemaker: A Discourse on Playing with Dolls, Partnership Buyouts and Dissociation Under No-Fault*, 60 U. CHI. L. REV. 67 (1993).